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SIPDIS

DEPARTMENT FOR AF/C
DEPT OF COMMERCE WASHDC
TREASURY FOR DO/JWALLACE, USDOC FOR ITA/SMATHEWS, USTR FOR DWEINER,
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SUBJECT: Serena Hotels helps validate the Rwandan potential

[1](#)1. SUMMARY. The Serena Group signed a 30-year concession to manage the two largest Rwandan hotels -- the Kigali InterContinental Hotel and the Kivu Sun Hotel, beginning February 1 2007. The hotels will be relaunched following an extensive refurbishment under Serena branding, marking another attempt to expand the potential of the Rwandan tourism market. END SUMMARY.

[1](#)2. The Serena Group is due to take over the operations of Kigali InterContinental Hotel and Kivu Sun Hotel on February 1, 2007. The hotel group has entered into a long term lease agreement with the GOR for the operation and management of the two hotels. The agreement was signed on January 9 2007 by the Minister of Finance and Economic Planning James Musoni and Serena Hotels Managing Director Mahmoud Jan Mohamed, in the presence of Prime Holdings Chairman, John Mirenge. (Note: Prime Holdings is the GOR parastatal that currently owns and manages the hotels.)

[1](#)3. The Kigali InterContinental, a 104-room five-star hotel will be renamed Kigali Serena Hotel. The Serena Group agreed to make a capital investment of USD 9.5 million, and to construct 50 additional guest bedrooms, a modern health and fitness centre, and a general upgrade of the hotel facilities.

[1](#)4. The 72-room four-star Kivu Sun Hotel located on the shores of Lake Kivu close to the border with Democratic Republic of Congo, will be renamed Lake Kivu Serena Hotel. The Serena Group plans to develop Lake Kivu Serena Hotel into a top quality spa facility.

[1](#)5. COMMENT. The Serena Group's investment is yet another attempt by the GOR to revitalize its hotel ownings and set them up on a profitable basis. Serena is a respected hotel chain (as was the Sun hotel chain before it) and its investments have proven to be catalysts for increased investments in the countries in which they operate (Kenya, Tanzania, Mozambique, and Uganda).

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